

Entrepreneurial and Market Orientations Effects in Mexican Small Business Performance

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Abstract

The entrepreneurial orientation and market orientation are present in the current management literature not only as two essential strategic orientations for the growth and development of enterprises but also as two variables that have a close relation with business performance. Therefore, when organizations, especially small and medium size ones, line up the entrepreneurial orientation and market orientation with their goals and aims, there is a higher probability of getting a high level of business performance. Thus, this empirical research attempts to identify the existing relation between entrepreneurial orientation and market orientation as well as their relationship with business performance by using a sample of 316 small and medium size enterprises in Aguascalientes State (Mexico). The results obtained show, on one hand, the close link between entrepreneurial orientation and market orientation and, on the other hand, that both entrepreneurial orientation and market orientation have a significant and positive influence in business performance.

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Keywords: Entrepreneurial orientation, Market orientation, Business performance, SMEs.

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1. Introduction

Literature has considered recently the importance of strategic orientations in the growth and development of organizations (Todorovic & Ma, 2008), especially in small and medium-size enterprises (SMEs) (Li, Zhao, Tan & Liu, 2008). More specifically, there has been an increase in the current literature related to research papers that show, on one hand, a high correlation between entrepreneurial orientation and business performance (Zahra, Covin & Slevin, 1995; Wiklund, 1999) and, on the other hand, a positive and significant correlation between market orientation and business performance (Jaworski & Kohli, 1993; Han, Kim & Srivastava, 1998).

However, there are few investigations published in specialized literature that analyze the existing relation between entrepreneurial orientation, market orientation and business performance (Todorovic & Ma, 2008; Li *et al.*, 2008). To give an example, Miles and Arnold (1991) found in their research a high correlation between entrepreneurial orientation and marketing orientation, a similar concept to market orientation. Similarly, other authors have reached to the conclusion that both entrepreneurial orientation and market orientation have positive and significant effects in business performance (Slater & Narver, 1995; Atuahene-Gima & Ko, 2001; Zhou, Yim & Tse, 2005; Frishammar & Hörte, 2007).

In this regard, the two most important strategic factors in the current literature that have created a long debate, and at the same time more interest, for researchers, scholars and professionals are precisely entrepreneurial orientation and market orientation (Baker & Sinkula, 2009). Thus, entrepreneurial orientation shows the capacity of the organization which establishes the identification and exploitation of opportunities provided by the market as a basic principle of the organization (Lumpkin & Dess, 1996). Likewise, market orientation shows the capacity that the enterprise must establish the compliance of costumers' needs and level of satisfaction as a basic principle of the organization (Jaworski & Kohli, 1993).

In order to do this, the entrepreneurial orientation and market orientation are considered as two strategies and constructs of organizational learning (Slater & Narver, 1995; Baker & Sinkula, 1999, 2002). Consequently, the enterprises that have adopted both the entrepreneurial orientation and market orientation are usually more effective than their main competitors as they create the bases to obtain better results that turn into the development of new products, higher profits, a significant increase in the market participation, the attainment of sustainable competitive advantages and a higher level of business performance (Day, 1994).

Additionally, market orientation as a business learning construct usually has a high level of correlation with entrepreneurial orientation (Morris & Paul, 1987; Miles & Arnold, 1991; Smart & Conant, 1994; Becherer & Maurer, 1997; Slater & Narver, 1998b; Hult & Ketchen, 2001). However, some empirical investigations have shown independent direct effects between market orientation and (Baker & Sinkula, 2002), entrepreneurial orientation (Covin & Slevin, 1986) and business performance but when the effects of entrepreneurial orientation and market

orientation have been considered simultaneously their effects are higher (Slater & Narver, 1998a; Matsuno, Mentzer & Ozsomer, 2002).

Despite the importance of both the entrepreneurial orientation and market orientation as business learning constructs and strategic orientations, there are relatively few empirical investigations that analyze the link between both orientations and the business performance of SMEs (Li *et al.*, 2008). Consequently, it is necessary to carry out more empirical research that analyze the existing link between entrepreneurial orientation, market orientation and business performance within the context of small and medium size enterprises (Li *et al.*, 2008; Todorovic & Ma, 2008; Baker & Sinkula, 2009).

In this trend of ideas, the main contribution of this empirical investigation is the analysis of the existing effects between entrepreneurial orientation and market orientation with business performance in SMEs of a country with an emerging economy as it is the case of Mexico. Another contribution is the methodology used since it will work with a model of structural equations to test the proposed theoretical model. The rest of the work has been organized in the following way: the second section examines the theoretical framework, the scarce empirical investigations previously published, and the investigation hypotheses are established; the third section shows the methodology, the sample and the variables used; the fourth section analyzes the results obtained and, finally, the fifth section shows the main conclusions and the research discussion.

2. Preliminary Notes

Recently, in the entrepreneurial literature, there have been different attempts to show empirically the existing relation between entrepreneurial orientation and market orientation (Li *et al.*, 2008; Todorovic & Ma, 2008; Baker & Sinkula, 2009), and the moderate effects that these two orientations have with different factors including business performance (Narver & Slater, 1990; Slater & Narver, 1994; Atuahene-Gima, 1996; Langerak, 2003; Verhees & Meulenbergh, 2004; Kaynak & Kara, 2004; Sin, Tse, Yau, Chow & Lee, 2005; Kirca, Jayachandran & Bearden, 2005; Kara, Spillan & DeShields, 2005).

In this regard, the link between entrepreneurial orientation, market orientation and their effects in business performance has attracted researchers, scholars and professionals in management sciences due to the fast changes made by technology and competitive conditions, which in turn have created a business environment characterized by a high level of market and technological uncertainty (Li *et al.*, 2008). As a result, with the current conditions of the present market, entrepreneurial orientation and market orientation become two essential strategies in the literature that allow enterprises to get a higher chance of survival when compared with their main competitors (Hamel & Prahalad, 1994; Slater & Narver, 1995; Atuahene-Gima & Ko, 2001).

Thus, Atuahene-Gima and Ko (2001) concluded in their research that the enterprises that have adopted a market orientation have a lower level of business performance

than those companies that adopted additionally an entrepreneurial orientation. This implies that market orientation is a very important variable that produces a higher level of business performance (Li *et al.*, 2008). Therefore, the highest positive effect in business performance is precisely obtained when enterprises have adopted both the entrepreneurial orientation and market orientation (Hamel & Prahalad, 1994; Slater & Narver, 1995; Atuahene-Gima & Ko, 2001).

Additionally, entrepreneurial orientation has usually been analyzed in management literature through three essential dimensions: *innovativeness*, *risk taking* and *proactivity* (Miller, 1983; Morris & Paul, 1987). It is precisely through these three dimensions that enterprises have higher probabilities of achieving innovations in technology and a higher level of business performance (Miller, 1983; Tan, 1996; Lumpkin & Dess, 1996), because the entrepreneurial orientation has generally been considered as a multi-dimensional variable in the literature, when it has been analyzed together with the market orientation and it has a strong influence in business performance (Miller, 1983).

Bhuiyan, Menguc and Bell (2005) analyzed the moderating effects of entrepreneurial orientation, within the existing relation between market orientation and business performance. They found that the effects of entrepreneurial orientation and market orientation in business performance, can be higher than the one obtained when the entrepreneurial orientation is used as a moderating variable. Consequently, the three dimensions of entrepreneurial orientation are much more important to achieve a higher level of business performance, when they are related directly to the market orientation (Li *et al.*, 2008).

Likewise, empirical evidence has been found in the literature that shows a close link between entrepreneurial orientation and market orientation (Atuahene-Gima & Ko, 2001). In a similar trend, Miles and Arnold (1991) concluded in their research that entrepreneurial orientation and market orientation are practically the same concept but they are analyzed from two different points of view. In this investigation, these two concepts were analyzed in detail in furniture manufacturing enterprises which proved empirically a high correlation between both constructs. Also, Miles and Arnold (1991) considered that the three dimensions of entrepreneurial orientation (*innovativeness*, *risk taking* and *proactivity*), react rapidly to the changes demanded by the market. Therefore, at this point it is possible to establish the following hypothesis:

H1: The higher entrepreneurial orientation, the higher market orientation

Furthermore, other authors consider that there is a strong synergy between entrepreneurial orientation and market orientation as variables that determine the business performance (Slater & Narver, 1995; Atuahene-Gima & Ko, 2001; Zhou *et al.*, 2005; Frishammar & Hörte, 2007). More specifically, Atuahene-Gima and Ko (2001) considered that entrepreneurial orientation and market orientation can be analyzed simultaneously to attain a higher effect in business performance. Nonetheless, the same investigation suggests that any modifications in any of the

two variables, may affect their relation between them and among business performance, since both orientations are essential for the attainment of success of organizations.

Most investigations that considered these two variables were carried out in big enterprises; only a few researches have been oriented to SMEs. Even when these companies have economies of scales, they usually have limitation in their resources and have different growth and performance disadvantages when compared to big corporations (Aragón-Sánchez & Sánchez-Marín, 2005). Consequently, this type of published investigations have not considered the existing relation between entrepreneurial orientation and market orientation and their influence in the performance of SMEs of countries with an emerging economy (Tan, 2001).

Accordingly, the adoption and implementation of entrepreneurial orientation can provide SMEs not only with a higher level of business performance, but also more competitive advantages (Li *et al.*, 2008). That is why Miller (1983) considered important to measure the entrepreneurial orientation through three essential factors: *innovativeness*, *risk taking* and *proactivity*, which in turn enable SMEs to obtain better results. Likewise, different researchers, scholars and professionals of management sciences have used this measurement of entrepreneurial orientation in their studies such as Morris and Paul (1987), Covin and Slevin (1989), Naman and Slevin (1993), Tan (1996), Morris, Schindehutte and LaForge (2002), Li *et al.* (2008), Todorovic and Ma (2008), and Baker and Sinkula (2009).

In this regard, organizations, especially SMEs, must be innovative in order to fulfill the needs and requests of their clients and customers, to explore new markets, to implement new ideas, experiments and the creative simulation of new products (Li *et al.*, 2008). These efforts may turn into new products (Li, Liu & Zhao, 2006), new technological processes (Lumpkin & Dess, 1996), changes in current technologies or new ways to manage businesses (Kimberly, 1981). All this can have positive and significant effects in business performance (Li *et al.*, 2008; Todorovic and Ma, 2008; Baker and Sinkula, 2009).

Similarly, the SMEs that have adopted or implemented an entrepreneurial orientation are usually characterized by taking risks and they are motivated mostly by attaining high levels of business performance and by the opportunities given by the market in which they participate and by getting higher competitive advantages (Lieberman & Montgomery, 1988; Tan, 1996; Lumpkin & Dess, 1996). Hence, the SMEs that have adopted or implemented an entrepreneurial orientation do not focus only in the needs and requests of their clients and customers or the opportunities given by the development of new products (Hamel & Prahalad, 1994; Christensen & Bower, 1996), but also in the proactivity of their innovations as well as the interrelation of the needs of their clients and customers (Covin, 1991; Slater & Narver, 1995; Martin, 1995). Therefore, at this point it is possible to establish the following hypothesis:

H2: The higher entrepreneurial orientation, the higher business performance

On the other hand, it is possible to find in the literature some investigations that have studied the existing relation between market orientation and business performance in SMEs (Pelham, 1997, 2000), but this type of researches has not considered the effects and the influence of the entrepreneurial orientation for the market orientation and business performance in SMEs located in countries with an emerging economy (Li *et al.*, 2008). For this reason, it is important that researchers, scholars and entrepreneurship professionals focus on the existing relation between entrepreneurial orientation and market orientation of enterprises that participate in markets of emerging economies, particularly in SMEs (Tan, 1996, 2001).

Similarly, the adoption and implementation of the market orientation may help SMEs to improve significantly their level of business performance as it shown by the research made by Kara, Spillan and DeShields (2005), which proved that market orientation has a highly positive correlation with business performance. In the case of emerging economies, there are different investigations that provide empirical evidence of the effects of market orientation in business performance. An example of this can be observed in the researches of Verhees and Meulenbergh (2004), Zhou, Yim and Tse (2005), as well as Li, Sun and Liu (2006).

In a more recent study, Li *et al.* (2008) analyzed the close link between market orientation and the performance of SMEs in China, by using the definition of market orientation created by Narver and Slater (1990), and the measurement that these authors carry out of the implementation of market orientation in SMEs: *customer orientation*, *competitiveness orientation* and *interfunctional coordination*. This is mostly because SMEs have strong expectations regarding the satisfaction of the needs of their clients and consumers, adaptability to changes and competitiveness demanded by the market. In order to do this, SMEs will have to carry out a series of internal changes so they improve significantly their level of business performance (Li, Sun & Liu, 2006). Therefore, at this point it is possible to establish the following hypothesis:

H3: The higher market orientation, the higher business performance

To validate the stated hypotheses proposed, empirical research was made by taking into consideration SMEs in Aguascalientes State (Mexico). Similarly, the 2013 directory of the Sistema de Información Empresarial Mexicano (System of Mexican Business Information, or SIEM) for Aguascalientes State, was used in this research to obtain the reference framework. A questionnaire was applied as a personal interview to managers and/or owners of a sample of 368 SMEs which were selected randomly with a maximum error of $\pm 4.5\%$ and a reliability level of 96%. The interviews with the managers were made from August to October 2013. The poll collected information about entrepreneurial orientation, market orientation and business performance.

Additionally, from the general directory of the SIEM 2013, which had 5,194 registered enterprises in June, a final directory was obtained with 1,261 enterprises that had from 5 to 250 employees which provided a sample of 368 companies. This

represents around 30% of all the population that is subjected to the investigation. Likewise, the interview was designed to be answered by managers and/or owners of SMEs and it was applied individually, to each one of the 368 selected enterprises at random. 318 validated questionnaires were obtained, which represents an answer rate of 86%.

For the measurement of entrepreneurial orientation, a scale proposed by Miller (1983) was used with adaptations from Covin and Slevin (1991), Lumpkin and Dess (2001) as well as Dess and Lumpkin (2005), who established that this orientation can be measured in three dimensions: *Innovativeness* measured by means of a six-item scale; *Risk-Taking* measured by means of a six-item scale and; *Proactivity* measured by means of a six-item scale. Regarding the measurement of market orientation, a scale proposed by Kohli and Jaworski (1990) was considered and it establishes that market orientation can be measured in three dimensions: *client orientation* measured by means of a six-item scale; *competitiveness orientation* measured by means of a four-item scale and; *interfunctional coordination* measured by means of a five-item scale.

Finally, business performance was measured by means of a three-item scale (1: Returns of investment compared with the competition, 2: Earnings compared with the competition, and 3: Market participation compared with the competition.). This scale was adapted from Tan and Litschert (1994). All the items of the three scales used were measured by means of a five-point Likert scale from 1 = Not very important to 5 = Very important as the limits.

Similarly, a reliability and validity analysis was carried out for the three scales used in the theoretical model as a previous step to the analysis of the results of the research. The reliability and validity of the three measurement scales used in this research, was evaluated with a Factorial Confirmatory Analysis (FCA) by using the method of maximum likelihood with the software EQS 6.2 (Bentler, 2005; Brown, 2006; Byrne, 2006). The reliability of the theoretical method was evaluated by means of Cronbach's alpha and the Composite Reliability Index (CRI) (Bagozzi & Yi, 1988). Additionally, the recommendations made by Chou, Bentler and Satorra (1991), and by Hu, Bentler and Kano (1992) were taken into consideration regarding the correction of statistics of the theoretical model, when it is considered that the normalcy of data is present by using also the robust statistics which give a better statistical adjustment of data (Satorra & Bentler, 1988).

Moreover, the adjustments indices used were the Index of Normalized Adjustment (or, NFI), the Index of Not Normalized Adjustment (or, NNFI), the Index of Comparative Adjustment (or, CFI) and the Root Mean Square of Error Approximation (or RMSEA) (Bentler & Bonnet, 1980; Byrne, 1989; Bentler, 1990; Hair *et al.*, 1995; Chau, 1997; Heck, 1998). Thus, Segars and Grover (1993) concluded that if the NFI, NNFI and CFI values are between 0.80 and 0.89, then it can be said that there is a reasonable adjustment of the theoretical model. Conversely, if the average of these three indices is equal or higher than 0.90 then it is an evidence of an excellent adjustment of the theoretical model (Jöreskog & Sörbom, 1986; Byrne, 1989; Papke-Shields *et al.*, 2002). If the RMSEA value is

lower than 0.080, it is considered as acceptable (Jöreskog & Sörbom, 1986; Hair et al., 1995).

The results of the FCA are presented in Table 1 and they suggest that the theoretical model of entrepreneurial orientation, market orientation and business performance has a good adjustment of the data ($S-BX^2 = 843.040$; $df = 585$; $p = 0.000$; $NFI = 0.883$; $NNFI = 0.924$; $CFI = 0.929$; $RMSEA = 0.037$). All the items of the related factors are significant ($p < 0.001$), the size of all the standardized factorial loads are higher than 0.60 (Bagozzi & Yi, 1988), Cronbach's alpha and the CFI have a value higher than 0.70 and the Variance Extracted Index (or, VEI), has a value higher than 0.50 (Fornell & Larcker, 1981). These values indicate that there is enough evidence of reliability and convergent validity, which justifies the internal reliability of the entrepreneurial orientation, market orientation and business performance scales used (Nunally & Bernstein, 1994; Hair et al., 1995).

Table 1: Internal Consistency of the theoretical model

Variable	Indicator	Factorial Loading	Robust t-Value	Cronbach's Alpha	CFI	VEI
Entrepreneurial Orientation	IN1	0.805***	12.198	0.859	0.860	0.673
	TR2	0.774***	9.659			
	PR3	0.879***	13.631			
Market Orientation	OC1	0.799***	9.084	0.825	0.826	0.614
	OP2	0.849***	10.811			
	CI3	0.695***	9.229			
Business Performance	RE1	0.719***	1.000 ^a	0.837	0.838	0.635
	RE2	0.786***	9.335			
	RE3	0.878***	9.647			

$S-BX^2$ (df = 585) = 843.040; $p < 0.000$; $NFI = 0.883$; $NNFI = 0.924$; $CFI = 0.929$; $RMSEA = 0.037$

a = Parameters constrained to this value in the identification process

*** = $p < 0.01$

Regarding the discriminant validity of the theoretical model of intellectual property and innovation, the evidence is provided in two ways that can be observed in Table 2. Firstly, a *reliability interval test*, proposed by Anderson and Gerbing (1988), establishes that with an interval of 95% of reliability none of the individual latent elements of the matrix of correlation must have a value of 1.0. Secondly, the *extracted variance test*, proposed by Fornell and Larcker (1981), establishes that the extracted variance index between each pair of constructs must be higher than their corresponding square covariance. Therefore, based on the results obtained from both tests, it can be concluded that that both measurements provide enough evidence of discriminant validity of the theoretical model.

Table 2: Discriminant validity of the theoretical model

Variables	Entrepreneurial Orientation	Market Orientation	Business Performance
Entrepreneurial Orientation	0.673	0.540	0.076
Market Orientation	0.675-0.795	0.614	0.085
Business Performance	0.187-0.363	0.199-0.383	0.635

The diagonal represents the Extracted Variance Index (EVI), whereas above the diagonal the variance is presented (squared correlation). Below diagonal, the estimated correlation of factors is presented with 95% confidence interval.

3. Main Results

In order to prove the hypotheses presented in the theoretical model, a structural equations model with software EQS 6.2 was applied with the same variables used in the FCA (Bentler, 2005; Byrne, 2006; Brown, 2006). In it, the nomological validity of the theoretical model was examined through the Chi-square test, which compared the results obtained between the theoretical model and the measurement model. Such results indicate that the differences between both models are not significant which can offer an explanation of the relationships observed among the latent constructs (Anderson & Gerbing, 1988; Hatcher, 1994). Table 3 shows these results in a more detailed way.

Table 3: Results of the structural equation modeling

Hypothesis	Structural Relation	Standardized Coefficient	Robust t-Value
H₁ : Higher entrepreneurial orientation, higher market orientation.	Entrepreneurial → Market O.	0.814***	3.498
H₂ : Higher entrepreneurial orientation, higher business performance.	Entrepreneurial → Performance	0.570***	15.579
H₃ : Higher market orientation, higher business performance.	Market O. → Performance	0.118***	7.302

$S-BX^2$ (df = 556) = 563.196; $p < 0.000$; NFI = 0.869; NNFI = 0.998; CFI = 0.998; RMSEA = 0.026

*** = $P < 0.01$

Table 3 shows the results obtained from the implementation of the structural equations model. Regarding the hypothesis **H₁** the results obtained, $\beta = 0.814$, $p < 0.01$, indicate that the entrepreneurial orientation has significant, positive effects in the market orientation of SMEs. Regarding the hypothesis **H₂** the results obtained, $\beta = 0.570$, $p < 0.01$, indicate that the entrepreneurial orientation has significant, positive effects in the business performance of SMEs. Regarding to the hypothesis **H₃** the results obtained, $\beta = 0.118$, $p < 0.01$, indicate that market orientation has a positive effects in the business performance of SMEs. Consequently, it is possible to conclude, on one hand, that entrepreneurial orientation creates a higher level of market orientation in small and medium-sized enterprises and, on the other hand, both entrepreneurial orientation and market orientation are two good predictors of business performance, especially in SMEs.

4. Discussion

Conversely, the obtained results imply some consequences for both SMEs and their executives. A first implication is that managers of SMEs have to carry out the necessary actions so the adoption and implementation of activities that require an entrepreneurial orientation are possible. In other words, they will have to be more proactive not only in the solution of the main problems faced by the organization but also in the market participation, in the implementation of innovation activities made by the enterprises and in the decision-making process because all this will allow them not only to have a higher level of growth but also a higher level of business performance and a high level of market orientation.

Likewise, managers have to put into action the necessary steps so the enterprises can adopt and implement the market orientation efficiently and effectively. In short, the staff must be trained in order to collect the necessary information from their current and potential clients so the organization can understand firstly better their preferences and needs and then make the required modifications or adaptations to the products and services offered by SMEs based on the preferences and needs of their current and potential clients, i.e. the organization must adopt a client orientation.

Accordingly, managers have to make the necessary adaptations in the organization in order to achieve a competitiveness orientation. In other words, SMEs have to know, as far as they can, all the activities of their main competitors such as the prices similar products and/or services offered by SMEs, the advertising campaigns they put into action and the modifications or innovations made to such products and/or services. These actions will allow SMEs to be ahead in the introduction of new products and/or services into the market, improve the prices of such products and/or services and counteract the negative actions of competitors that may damage the prestige of SMEs.

Hence, if SMEs carry out the necessary changes so enterprises can adopt both the entrepreneurial orientation and market orientation efficiently and effectively then SMEs will have higher possibilities to make the necessary changes or adjustments

to their products and/or services. This will allow enterprises not only to adapt them to the preferences and needs of their current and potential clients but will also provide higher competitive advantages, a higher level of competitiveness and a higher level of economic performance.

Additionally, SMEs managers have to create a working atmosphere that allows workers and employees to feel confident enough to express their ideas and offer alternative solutions to common problems faced by business which will allow enterprises to be more proactive instead of reactive. Likewise, it is important that managers design and implement permanent training programs for their workers and employees so they develop their working skills as a team, share their knowledge and abilities in order to facilitate not only personal development but also an effective and efficient integration of everyone in the organization which will improve the level of business return in SMEs.

5. Conclusions

The results obtained in this empirical study can conclude three main aspects. Firstly, if SMEs have a higher entrepreneurial orientation, then they will have more opportunities to achieve a higher market orientation which will allow enterprises to have a higher orientation towards both their clients and competitors which may have positive and significant repercussions in the economic performance of business. Accordingly, depending on the adoption and implementation of activities with entrepreneurial orientation in SMEs, they will have more opportunities to attain a higher level of market ranking where they participate and a better reception of the products and services they offer.

Secondly, it is also possible to conclude that the level of entrepreneurial orientation that SMEs have will greatly determine they're of economic performance so it is mandatory that every organization that attempts to have a higher level of economic performance will have to start by increasing significantly the adoption and implementation of activities that require an entrepreneurial orientation. Thirdly, it is possible to conclude that if SMEs are more oriented to the market (i.e. they have an orientation towards both their clients and competitors) then it will be more probable to increase significantly their economic performance. Therefore, it is possible to establish in a general way that SMEs will have a better level of economic performance depending on the development of the activities and actions of the entrepreneurial and market orientations.

Along with this set of ideas, it is necessary to mention the main limitations of this research paper. The first one is related to the scales used to measure the entrepreneurial orientation, market orientation and business performance because only three factors or dimensions were chosen to measure the orientation and six items for the performance. Further investigations will need to incorporate other factors or dimensions to verify the results obtained. A second limitation is the information obtained by considering only qualitative variables to measure the entrepreneurial orientation, market orientation and business performance. Further

research will need to incorporate quantitative variable to prove if the same results are obtained.

A third limitation is that the questionnaire was applied only to managers and/or owners of SMEs in Aguascalientes. Consequently, the results obtained could be completely different if the questionnaire is used in a different population. Further investigations will have to apply the questionnaire to clients and suppliers to verify if the same results are obtained. A fourth limitation is that the SMEs selected had from 5 to 250 now of applying the questionnaire. These enterprises were the only ones considered for this empirical investigation. Further investigations will need to consider enterprises with less than five workers as they represent more than 50% of all the enterprises in Aguascalientes State.

A final limitation is that most managers and/or owners of SMEs in Aguascalientes State considered that the information requested in the interview was considered as confidential and the results obtained do not necessarily reflect the reality of enterprises. Finally, it is important to go beyond the results obtained in this empirical research and discuss more deeply the following questions: what effect would be obtained if quantitative scales were used to measure the entrepreneurial orientation, the market orientation and the business performance? What results would be obtained in the business performance of SMEs if different scales were used to measure the entrepreneurial orientation and the market orientation? These questions and some others may be answered in future investigations.

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